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THE SEMI-WEEKLY TRIBUNE

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## NEW-YORK TRIBUNE.

Louisiana -The Senatorial Swindle. Correspondence of The Tribune

NEW-ORLEANS, Jan. 26, 1848. I wrote you yesterday in great haste, as the waymail was closing, intending to inclose you the leading article of the Bulletin of yesterday explaining the disgraceful occurrence in the Legislature, but I found when too late that I had sent you the wrong article, that of the 24th. I now send you the right one, with another of to-day.

We (the outside Whige) do not intend to let this matter rest here. It must be probed. The explanations or excuses so far are too trifling to be regarded. There was no excuse for Garcia, nor any other vivilg, or accessity at high from the danger of Slidell's election. They had the power in their own hands, and could have prevented the election of a Loco-Foco even without Myles's vote. The deep, blistering disgrace of this election is a black spot that will never out. The Bulletin nobly, manfully, eloquently speaks the general sentiment here, and not of Whigs alone; and I am glad to hear that the publisher is receiving substantial evidences of this feeling in the rapid increase of his

nporting that his wife was sick, and hurried dow to the Railroad Depot in the Third Municipality but that there he met a message saying she was better. This is gammon, of course. The offer to him of four negroes if he would absent himself will be investigated. Yours.

From the N. O. Bulletin, Jun. 25.

ELECTION OF U. S. SENATOR — Weare called upon to announce one of the saddest defents of the Whig party, that has occurred since the last Presidential election. A defeat which has no palliating circumstances—nothing to militate the burning mortification of an ignoble and shameful discomiture, accomplished by domestic treason. With a decided Whig majority of two, the Legislature yesterday elected a thorough Loco-Foco to the U. S. Senate, and a yet more thorough one as State Printer. The former result was brought about by the defection of Mr. Baldwin of Sabine, and the absence of Mr. Males of Washington, which produced at teo on the first two ballots, and the describin of Messie. Frain Garcia and W. S. Parram, of the Senate, and C. Bienvence and John Wateins, of the House, on the third.

ate by a strict party vote.

These are sad tidings for the Whigs of this State, as ing is an evidence that they are lost as well to shame as to virtue.

The inimitable sarcasm in which Mr. Tompkins are lines, we feel humiliated by the result, which throws the lines, we feel humiliated by the result, which throws

tion. We feel humbled, prostrated and trodden down, and by our own friends; we have nothing to suggest in extensistion—no excuse to offer to our Whig friends throughout the Union—the fact is naked in its ungainliness.

Those we have named (Whigs we will no longer call them) have betrayed us—violated their solemn obligations to their fellow Whig members—sacrificed their principles—sacrificed their party—sacrificed the interests of their country, and gone over to the enemy.

Let them, then, remain in the hostific camp, with their names deeply acared upon the memory of every loyal Whig, and may the separation be eternal, for if "the hand of political resurrection" can ever reach so deep, as to

Whig, and may the separation be eternal, for if "the hand of political resurrection" can ever reach as deep, as to rescue FELIX GARCIA of St. John, W. S. PARHAM of Madison, C. BIENVENU of St. Bernard, JOHN WATKINS of Originar, and JNO. BALDWIN of Sabbas, then, indeed, the deepest similer may well hope for forgiveness. As for ISAAC A MYLES of Washington, we think it will be fortunate for his fame, if some accident has removed him from this to a better world, as no less excuse will be satisfactory, for his mysterious absonce yesterday. We would say something in praise of those true-hearted Whigs who stood by the party in this scene. They have bothing to stilled their consciences, nothing to charge themselves with, unless it be a shame to belong to a party that centained within its bosom men who could falter at such a moment, and under such circumstances. We could say much more, but could not say less.

From the same, Jan. 26.

We could say much more, but could not say less.

From the same, Jan. 26.

United States' Senator.—In consequence of our remarks yesterday, on the conduct of certain Whig Members of the Legislature as connected with the election of U. S. Senator, a most violent attack was made upon us on the floor of the Sesate Chamber by Mr. Fell's Garcia, one of the members alieded to, in which he indulged in personal and unfounded vituperation, as unbecoming for a gentleman, as it was undignified for a Senator. We shall not follow the example of Mr. Garcia, in this respect, in our present or in any future remarks we may have secasion to make upon his conduct, in connection with this subject, as we never yet have descended to personalities in our columns, but we shall certainly not be deterred by any dreat of his personal abuse from freely commenting upon his public acts.

any dread of his personal abuse from freely commenting upon his public acts.

Mr. Garcia objects to our charge against him, of having betrayed the Whig party. If he will point out any other term, which will truly designate his conduct on the occasion, we will cheerfully substitute it, but we know of no other in the English language, and we venture the assertion that the charge, and the general tenor of our remarks, to which Mr. Garcia has taken such exception, will find a corolal response in the bosom of every true-hearted Whig, in and out of the State. Let Mr. Garcia so into the highways and thoroughfares of this city, and

pursued.

Mr. Garcia joined in the cancers that nominated Mr. Kennen-joined in the unantineous ratification of that nomination, by which every one present was pledged to support the nominee, and yet, while he was still the candidate before the Convention and entitled to the headers! support the nominee, and yet, while he was still the candidate before the Convention, and entitled to the pledged vote of every Whig, Mr. Garcia was the first man thus pledged (for Mr. Bar, bwin was not in the caucus) that abundoned the Whig Banner, headed the corporal's guard that deserted to the enemy, and thus caused our defeat. And how he discourses to us of his devotion for fourteen years to the Whig party, at the very time when, as a proof of that devotion, he had just fastened upon the party a Loco-Foco, to represent it for six years in the National Legislature!

In no other State in the Union would such a direliction of party duty be tolerated for a single moment. Any one bold enough to make the attempt would be, as he ought to be, politically destroyed forever. Even in our own State, if the position of the two parties had been reversed, and the Loco-Focos had possessed the majority of two, we should never have heard any previous doubts or fears among them, as to the result. No exertions would have been necessary to insure the soild vote of every man, with a certainty of success as undoubted as if that majority were twenty instead of two.

But with us, after all the exertions and all the asxiety of the Units introughout the State, to elect a majority of the Levislature. In no other State in the Union would such a direliction

Whigs throughout the State, to elect a majority of rgislature, and after having succeeded in doing so, se the fruits of victory searched from our grasp, by a con in our own ranks, as mortifying as it was unex-

This state of things should no longer be permitted. I

## NEW-YORK DAILY TRIBUNE.

BY GREELEY & McELRATH.

FIVE DOLLARS A YEAR.

If we do not make a reform of the kind, the Whigs of Louisiana will recome a by-word and a laughing-stock to the Nation at large, as a party on whom no calculation can be made, and who, even with a msjority at command, and the game in their own hands, are unable to insure

and influential Whigs, in and out of the Legislature, as well as to supply the call for the article; as our edition of yesterday was entirely exhausted.

"We have not a word nor a comma to alter, in our remarks, which we consider fully justified by the cause that called them forth; and the only objection that we have heard urged against them, by the nomerous persons who have spoken to us on the subject, was, that the language was not sufficiently pointed and severe for the occasion.

WASHINGTON, Jan. 31, 1848. The presence of the illustrious FOOTE of Mississippi, at your War Meeting on Saturday, must have given you a great idea of his powers, as well as some faint conception of the magnitude of Mispede Hereulem, which you may translate literally

by saying that from the foole you can imagine a by saying that from the foote you can imagine a giant or liberally by saying that a giant makes big tracks. Now, you have heardhim, and did you ever hear such an orator? If he only spoke at the War Meeting as he did in the Senate, I should like to have seen the countenances of the Huge-Paw "Democrats" of New-York. A dapper little man, in green spectacles, reading a whole page of Latin, and pronouncing badly, and unsetting all thoughts of poetry by reading Hyron backward, and misquoting Goldsmith, would hardly fail to make a noor impression on Tammany Hall.

I told you in my last that Senators, after the first dash of his intellect had blazed around the Chamber, had come to an understanding not to reply to

ber, had come to an understanding not to reply to anything he should say, and thus defeat his sup-posed design of getting big names sprinkled through his speech. He recently showed penetraposed design of getting big names sprimated through his speech. He recently showed penetration enough to have discovered the conspiracy against his fair fame; for he complained bitterly that Mr. CLAYTON had chosen to expose the absurdity of one of his assertions when repeated by another. He complained that the honorable Senator had not even looked at him when replying to an argument which he had first propounded. Now Mr. Foots must know that a clearly established rule of common law is that a cat may look at a king. The very assertion that a thing may be done implies also that it may not be done. If cats have such high privileges in monarchical forms of Governments, surely Senators should be allowed as much liberty under Republican forms. Humanity should not be degraded below felinity. Though some of the Senators did not reply openly, they had some good shots at him, in the strical language, aside. In replying to a Senator from Maryland, who had used up all the Looc Foco arguments on the boundary question, he said that the Senator need the boundary question, he said that the Senator need not express such shame for what the President had done—he had better blush for himself and his party. The Maryland Senator said, aside that he party. The Maryland Senator said, aside that he was not in the habit of doing anything at which he would biash, but if he wished to be proof against blushing he would take lessons from the other side of the chamber, where he might have his skin rhinocerized and blush at nothing.

Gen. Houston wears a harp on his bosom, and he is accompanied by Mr. Foote—so that Mr. Houston may be said to carry a harp with a pedal attachment.

You recollect that Senator Cass said, a few days You recollect that Senator Cass and, a tew days since, that he thought we could swallow the whole of Mexico without doing us much harm. You have seen the rotundity and extent of the parts surrounded by the General's waistband. I have heard a story of a snake having swallowed a toad so large that it was a puzzle to naturalists whether the anake swallowed the toad or the toad the suake. The Chairman of the Military Committee is some Mexico, our country's locomotion must be almost as difficult and awkward as that of the great em-

and other members of the Polk party, than to reply to the Whig remonstrances against such acts as may lead to the destruction of the Union, by saying.

"Oh! that is an old saying. We were to be runed a hundred times; Annexation was to ruin us; War was to ruin us; but we don't feel ruined yet."

Acc. This is a bold avowal of their shame. It is the exways of all sandoned characters. The first

of Mississippi, showed up the manner in which Mr. Housron of Alabama, had been prepared by the President to defend executive prerogative, has given rise to a new phrase. Mr. Housron, as soon as the message was opened, produced the references of the President in the documents with leaves turned down. The art of preparing a speech in this way, is now known as the art of oratorical

og-ear-otyping.
It was in reply to Mr. Tompkins that Mr. Bedin are of Virginia, quoted the doggerel Latin on Santa Anna. Mr. Tompkins contends that the cerses were written by a Frenchman in Yale Colege after being on a spree. When he recovered, he was so ashamed of himself, for having committed such a doggerel improvisation to paper that he went deranged, and has not been heard of since

went deranged, and has not been heard of since.

Mr. Tompkins thinks if he could only hear that his peetry was used in the House of Representatives, to add grace and dignity to a speech on the Mexican War, the poor victim of his folly might return to his friends and sanity together.

Another of those who have been shooting their pointless arrows at Mr. Tompkins is Mr. Henley of Indiana. Now, Mr. Henley was the man who promised to fight all Mexico with a dozen of old women with broomsticks, if war followed the annexation of Texas. Well, war did follow, and yet Mr. H. would not enlist for the war. His consti-Mr. H. would not enlist for the war. His consti-tuents urged it upon him that he should march for Mexico, but he wouldn't and didn't. He got reelect. Mexico, but he wouldn't and didn't. He got reelected to Congress; for pocketing eight dollars a day for doing nothing is more to his taste. He leaves it to other men, whom his assertions cheated into voting for annexation, to fight in Mexico for ten dollars a month. Mr. TOMPRINS contends that Mr. Bedinger is not to blame. He understands that he did all he could to raise the company of broom sticks, but failed because he could not find an old woman fool enough to risk her reputation by en-

sticks, but failed because he could not find an old woman fool enough to risk her reputation by enlisting in Captain H.'s company.

You know that the Loco-Focos had a great meeting here for war a few evenings since. Mr. BROUGH of Ohio, was the speaker. He looks something like an animated barrel of the staple export of Ohio. While speaking, the platform gave way under the enormous pressure of his corpus, which made considerable commotion for a few moments. He went for war of course. A Life Insurance office might make a fortune out of such surance office might make a fortune out of such men, if they would only consent to "die by inches." BUCKLEY, of the Olympic, has made proposals to him for a few nights as Falstaff.

NEW-YORK LEGISLATURE.

By Telegraph to The Tribune.

MORNING REPORT.

SENATE...ALBANT, Feb. 4—1 P. M.

Mr. AYRAULT reported a general bill to Incorporate Insurance Companies.

Mr. Clark reported the General Manufacturing bill with amendment.

ill with amendment.

Mr. Gennes gave notice of a General Railway

ASSEMBLY.

A memorial was received from Saul Alley and others, to amend the Charter of New-York City.

Mr. Spaulding reported the Senate bill relative to State Engineer, &c. with amendment.

Mr. UPHAN reported a bill to income the Town

and Boston Railroad Company.

Mr. Raymond gave notice of a bill to amend the Charter of New York City and reduce the Capital of Pagitable Insurance.

Equitable Insurance Co.
Mr. BUTRICK reported a bill to change the loca-tion of Madison University to Syracuse or Hochester.
The Committee of the Whole took up the Senate bill to Punish Adultery. No question taken.

A NEW PAPER.-We have received a number of the Nordlyset, (Northern Light,) a new paper in the Norwegian language published at Norway, Racine Co. Wisconsin. It contains an unusual variety of matter, exhibiting papers published in this country in seven different lan-guages, namely, English, French, German, Spanish, Welsh, Norwegian and Cherokes, to say nothing of the large num-ber whose chief language is Billingagate.

PEACE ..... For The Tribune. How sweet the scene, where Pence her wand has spread. Where nought but flowers sorround the Pilgrim's Far o'er the fields the golden grain is seen. [tread: Flocks on the hills, and verdant meads between;

Flocks on the bills, and verdant meads between;
There, from each cottage waterhos the smoky pyre;
There, points to heaves the church's now white spire;
There, happy sires to happy sets beatow
The traces: blessing mas shall ever know;
There, happy mothers happy daughters lead
in Virtue's path, from guille and error freed;
There, when the sun proclaims the blushing dawn,
All Nature, smilling, bids him hasten on;
Noon sees ne blight, no sorrow and no strife,
And sunset seems to hallow all of life;
Thus day and night roll on their placid round,
While on each morrow fresher joys are found.
O happy some! there hearts unused to pain,
Are all united by Love's golden chain;
There, all brothers, on one common road, There, all brothers, on one common road, Their hopes in heaven, and their trust in God; Religion leads them in the darkest way. Their hopes in heaven, and their trust in the Religion leads them in the darkest way.
And points them onward to eternal day;
Peace o'er their lives her choicest blessing waves,
amilies on their cradle and their place of graves.

C. D. STUART.

## WAR EXPENSES. BY ALBERT GALLATIN.

I ... THERE are, in Political Economy, many debatable, doubtful and complex propositions, some of which it may be impossible, most of which it would be extremely difficult, to discuss in a popular and generally intelligible manner. But there are some, which every member of the com-munity may bring home to himself and clearly understand. Among these, may be counted the acquisition and application of Capital.

Every man, who enjoys a certain income, knows that he will grow poorer if he spends more, and richer if he spends less, than the amount of that annual income. In the first case, he loses part of his capital; in the other, he acquires new capital. and labor, whatever this may be, knows perfectly well that if he spends annually less than he earns, the difference is an acquisition of capital. The journeyman, who in the course of the year is able this as well as the most profound political econo

and is equal to the excess of that which is pro duced over and above the amount which is conconsumed. It is obvious that, since this is true o gate of individuals who compose the nation. The acquisition of capital, or increase of wealth, of the United States, is, in any one year, equal to the they have consumed during that year. The whole the accumulated aggregate of that annual excess of value produced, over value consumed.

However great this may be, it has generally been inadequate to the demand. In order that land may be productive, labor must be applied to it. In the forest land, which constitutes probably nineteentwentieths of that which has as yet been settled, it is in the first place necessary to clear the land of first outlay, the cost of the humblest dwelling and of absolutely necessary agricultural buildings, as collected, that the ordinary products of agriculture are not realized till after the crop. The laborer, and his wages advanced to him by his employer The population of the United States has heretofore increased at the rate of about thirty-three percent.

increased at the rate of about thirty-three per centin ten years; and there has been therefore a proportionate, and annually increasing, demand for
capital for agricultural purposes alone.

At the time when America was first settled by
British Colonists, the lands in England were inclosed, litted for cultivation, stocked with horses
and cattle, and the country covered with every
species of necessary buildings, including dwellinghouses. America in every such respect, was a
blank. The first Colonists brought with them but
every small amount of capital, in proportion War was to ruin us, but we don't feel ruined yet.

Ac. This is a bold avowal of their shame. It is
the excuse of all abandoned characters. The first
acts of wickedness may have cost them some
twinges of conscience, but they have become used
to crime, and don't feel ruined. The want of feeling is an evidence that they are lost as well to
shame as to virtue.

With them but
a very small amount of capital, in proportion
to their numbers. All that large amount of fixed
and personal capital, of which England was possessed, the product of the surplus labor or capital
accumulated during centuries, the American Colonists had to create by their own industry and labor.
A single item may be adverted to. The number

in proportion to the increase of population. In the City of New York, for instance, where the population has been increased tenfold in fifty years, the number of houses, which were built more than fifty years ago, is extremely small and much less in value than that of houses built since that date, years ago, a extremely small and the date, which have been subsequently pulled down or destroyed. The whole cost of the dwelling houses now existing in New-York, which, after deducting the nominal value of the lots, may be estimated at about one hundred millions of dollars, has been defrayed by the capital acquired during the last fifty years. The same process has taken piace not only in every town and village, but throughout the whole country. As a whole, the general result has been much less in proportion than in New-York, since, during that period, the population of the United States at large has only been quadrupled. It seems probable, that the whole amount of capital, absorbed in the United States in that way, during that period of fifty years, does not fall much short of fifteen hundred millions of dollars.

The whole of that capital, whatever, its amount may be, has not been yet actually expended, since

may be, has not been yet actually expended, since the houses do exist; but it has been applied to an

the houses do exist; but it has been applied to an unproductive object. It is clear that no man, who lives in his own house, derives any revenue from it. It is a portion of that which he spends for his own comfort, and which, independent of wear and tear, is equal to the interest of the capital laid out in building the house. If a man lets his house, instead of enjoying it for his own use, he receives a rent equivalent to that interest. But the person who occupies the house, or part of it, and who pays that rent, does not derive the means of paying it from the house itself, but from his own income or labor. Thus in every instance, though forming an important and necessary portion of the fixed capital of the nation, dwelling houses are unproductive and a portion of the consumption, and not of the income of the nation.

ome of the nation.

Taking all these facts into consideration, it will Taking all these facts into consideration, it win be easily understood why the acquisition of circulating capital has been slow in the United States, and why they were obliged to depend so long on the aid afforded by foreign capital. At the time when Independence was declared, and for more than thitty years after, America was always in debt to Great Britain. Even now, the amount of than thitty years after. America was always in debt to Great Britain. Even now, the amount of circulating capital is comparatively small, and inadequate to supply the ordinary demand for it. In almost every instance, the funds necessary to carry into effect extensive plans of improvement, whether rational or wild, have been borrowed abroad, and there is now a large debt due to foreigners, principally to British subjects, due not by individuals, but by several of the States. It is doubtful whether, pending the war with Mexico, the Government of the United States, notwithstanding their unimpeached credit, could obtain any considerable loan at par for six per cent. stock. Hence it is that the destruction of circulating capital, caused by the war expenses, is already sensibly felt.

A merchant, having full confidence in the probity and skill of a man who has no property, sells him on credit merchandise worth five thousand dollars. The goods are delivered and on the same day are burnt, or otherwise destroyed, by some unforcesen accident. In this case there is no capital left which represents the debt. There remains only a promise to pay, from a man who has no property

promise to pay, from a man who has no property whatever. In order to discharge the debt, he must by his subsequent labor and frugality, acquire a new capital.

The same result attends war expenses, and for the same reason: the capital thus expended has

the same reason: the capital thus expended has been destroyed.

The public debt of Great Britain may amount to about eight hundred millions sterling; and there is no existing capital which represents that debt. The creditors hold only a promise to pay, the interest of which they receive regularly. This payment of interest, and general confidence in the good faith of Government, give current value to the public stocks, or promises to pay. But the Government has no capital, wherewith to pay either the principal or interest. In order to do either, taxes must be laid on the people at large. The people must, by their own labor and industry, create a new capital for that purpose. The amount of the public

NEW-YORK, SATURDAY MORNING, PEBRUARY 5, 1848.

debt is equivalent, not to the whole, but to the most considerable portion of the capital, which has been destroyed by the wars in which Great Britain has been involved. Yet not to the whole, since, in order to include the whole amount of capital destroyed by those wars, there must be added, to the public debt incurred, all the war taxes raised and expended for the same purpose.

The preceding observations, though illustrated by the example of Great Britain, are equally applicable to the United States. Almost the whole capital applied to war expenses is destroyed, because it is expended on unproductive objects. The munitions of war, horses and a multitude of other articles are actually destroyed; a variety of other expenses, such as those of transporting, and afterward of moving an army with all its apparatus, particularly if in a foreign country, are entirely lost. The great bulk of the moneys raised for carrying on war, is expended in feeding, clothing and supporting men, whom the war has converted into unproductive consumers; all of whom, before that, earned enough by their labor at least to subsist; and most of whom did produce a surplus over and above their personal expenses. At the end of the war nothing remains but the artillery, muskets and tents. All the rest of the capital expended for the land forces has been annihilated.

I do not perceive that any deduction can be made from that aggregate, other than the profits of contractors and, in some cases, those of persons employed in producing or manufacturing that part of the supplies which is drawn from home.

But whatever may be the case in other countries, it does not appear that any deduction should be made in the United States, on account of the moneys earned by men who may have been employed in furnishing certain supplies. There is, in the United States, a constant demand for capital and labor, to be applied to productive purposes. Every able bodied man, whether cultivator of the soit.

United States, a constant demand for capital and labor, to be applied to productive purposes. Every able-bodied man, whether cultivator of the soil, mechanic or laborer, can, in the United States, obtain remunerating wages. And, therefore, every man employed in preparing war supplies, for instance in building war-steamers, or other vessels, has been diverted from some analogous employment which would have been applied to productive objects.

It is not without painful feeling that we are con pelled to admit that these consequences of the Mexican war, on the fiscal and commercial concerns of the nation, have heretofore been greatly alleviated by the dreadful calamity which has at fected Europe, and especially the British Isles. A fected Europe, and especially the British Isles. A famine, caused by the failure of one important crop, and by a diminution in those of other articles of food, suddenly increased our exports to an unparalleled amount; far exceeding in value the foreign merchandise usually wanted by the United States, and causing, accordingly, not only an increase of dutiable imports and of revenue, but also an extraordinary influx of specie. This general increase of wealth had, among other effects, enabled Government to carry on the war without its evils being immediately felt.

But the causes which had produced that state of things have, at least for the present, ceased to ope

things have, at least for the present, ceased to ope II ... The preceding observations are of a gen

eral nature. The first subject of special inquiry is the amount of the actual receipts and expenditures since the commencement of the war.

All the Receipts, whether arising from Revenue Loans, or any other source, are paidinfo the Treas ury, and therefore known to the Secretary of that Department. He is also responsible for the disbursements by his own Department, the most important of which are those relating to the public debt. But with respect to the moneys expended by the other Departments, the statements of the Secretary of the Treasury only show the amount received by each from the Treasury. These never can exceed that for which appropriations have been made. The Secretary is bound, provided the receipts are adequate, to pay to each Department the sum appropriated for its use, and under the several heads of the respective appropriation. But he is heads of the respective appropriations. But he is in no degree responsible for the manner in which the moneys have been expended by any other De-partment than his own.

In ordinary times, in times of peace, the expen-

In ordinary times, in times of peace, the expenses of each Department correspond so nearly with the appropriations, that the statement of the Secretary of the Treasury, of the moneys paid by him to each, gives to the public a very approximate view of the actual expenditures. The deficiencies, for which additional appropriations may be asked from Congress, are generally inconsiderable. But in time of war, it becomes necessary, in order to ascertain the real amount of expenditures, to recur to the Reports of the War and Navy Departments—Neither can indeed pay more than the amount appropriated; but more may be expended, and for the difference a debt may have been incurred.

The Secretary of the Treasury is, in the same

The Secretary of the Treasury is, in the same manner, responsible for the correctness of his esti-mates of receipts. But with respect to those of expenditures, by any other Department than his own, he only transmits those prepared by each Depart-ment, for the correctness of which each is respectvely responsible.

FISCAL YEAR ENDING JUNE 30, 1847. This is almost identical with the first year of t war. The Secretary of the Treasury had, in his Report of December 9, 1846, estimated the War Expenses for that year: Paid during let quarter..... Estimated for the last three quarters...

From Public Lands 2,498.35
From Miscellaneous Sources 100.57
From avails of Treasury Notes and Loans 25,679,18 Total Means 61,152,426 90
The Expenditures during the same Fiscal Year were 50,451 177 65
Leaving a balance in the Treasury, July 1, 1947, 67

Leaving a balance in the Treasury, July 1, \$1,701,251 28 as appears in detail by accompanying statement A. I have used in vain, every endeavor to obtain a copy of this statement A, in order to ascertain the details of the expenditure, of which the gross amount alone is given in the text of the Report—It will be found in that volume of the documents, which contains the Report of the Secretary of the Treasury, with the documents relative thereto: and which, at the latest dates from Washington, was yet in the hands of the printer. Having seen the corresponding statement for some former years, it appears to me, that the substance may, without adding more than eight or ten lines, and should therefore, be inserted in the text of the Report of the Secretary. This is always published immediately, inserted in all the principal newspapers, and read by everybody. The explanatory statement A is found among the mass of documents, which are printed several weeks later, have a very limited circulation, and are hardly read by anybody.

printed several weeks later, have a very limited circulation, and are hardly read by anybody.

The Report of the Secretary of War, dated Dec. 2, 1847, contains no general statement of the expenses incurred in his Department. It is only from the voluminous documents, annexed to the Report, that the necessary information can be extracted—
The Reports of the Quartermaster-General, of the Paymaster-General, of the Ordnance Department, of the Adjutant-General, are documents of great meetit person-topus, condensed and apparently as of the Adjutant-General, are documents of great merit, perspicuous, condensed and apparently as correct as could possibly have been expected. The Commissary-General of Subsistence may be entitled to the same praise; but I have not discovered any document stating the amount of his Receipts and Expenditures for the year ending 30th June. 1847. I have indeed been supplied from a respect able source, with the amount of his expenditures for the year in question; but I have not been able to discover the document from which this amount was extracted.

The Report of the Quartermaster-General is the most important. The receipts were—
Salance on hand on July 1, 1846. 8
Remittances. 20,
Miscellaneous Gross Amount..... Money refund to Treas'y and canceled drafts 25,917.08
Ex'race during the year for which acc'ts read 12,327,348.74
Lt. Co.l. Hunt's accounts for 3d and 4th qrs... 2,414,600.08
Balance to be accounted for... 6,597,000.40 Of this balance, between three and four mi

The total expense for this branch was, therefore, during the year ending 30th June, 1847.

Total amount received \$21,701,424 is Deduct, applied to payment of old accounts.

\$20,012 90 83,029 90 Apparent expenditure \$21,643,394 FO ....\$21,643,394 10 Apparent expenditure

Apparent expenditure.

The Quartermaster General observes, that the estimates presented for the service of the next year are minimum estimates; and he thinks they might be reduced, by cutting of North from South Mexico, erecting the States of the North into a separate confederacy, under the protection of the futted States; and by organizing South Mexico, as conquered, into Governments under officers of the finited States. Quered, into ( United States.

United States.

Gen. Jesup is a most capable, energetic and efficient Quartermaster. He had prodigious difficulties to encounter in transporting an army of 30,000 men, with so little previous preparation, across the sea to a distant country; and he has surmounted all the obstacles. It is not necessary to discuss his politico-military plans, which do not seem to coincide with the avowed declarations of the President; and I differ widels from him as to what works and I differ widels from him as to what would be considered. 

Expended, paying regular troops \$1.941,756 84 Volunteers... 5,723,273 51

Balance on 1st July, 1847, to be applied to future payments.
As the balance on hand amounted on 1st July, 337,647,60

riety of accourtements, and probably a deliciency or deterioration of muskets and some other species of arms, constitute the portion of ordnance supplies which has been consumed. The value of these ar-

The peace establishment of the Navy authorized the employment of 7,500 petty officers, seamen and boys. The number has been increased to 10,000 during the continuance of the war with Mexico; and the gross amount of expenses has increased in about the same ratio. But a great portion of the increased expenditure has been applied to the building or purchasing steam and other vessels, and to other items of permanent value. The pay and subsistence of the additional men, the wear and tear of a greater number of vessels in actual service, and the loss of some small vessels, seem to be the only items which may be fairly charged to the Mexican war.

Without pretending to give anything more than a rough approximation, I should think that the additional annual expenses, for Ordance Supplies and in the Navy Department, do not together exceed two millions of dollars.

As far, therefore, as may be inferred from the statements furnished, it would appear that the total amount expended, during the fiscal year ending June 30, 1847, for the army proper, including both the regulars and volunteers, is nearly as follows, viz:

Surgeons.
Ordnance and Navy, setimated .... corroborated by the amount of the appropriations, for the same objects and the same year, which were as follows, independent of those for Ordnance,

Total...

Deduct increased balance of unexpended appropriation in hands of Paymaster General. .. \$34,371,111 | Total | Tota Total S5543,222

The true amount of the expense actually incurred, during that fiscal year, cannot be fully ascertained until the several accounts, mentioned in the Quartermaster General's Report, shall have

ments, that the expenses for the Army amounted, during the fiscal year ending June 30, 1845, to \$3,155,000, and during the year ending June 30, 1846, to \$3,947,000. There is therefore an annual making part of the Army Expenditure, cannot justly be charged to the War with Mexico.

ly be charged to the War with Mexico.

The next subject of inquiry is the average number of the troops in actual service, during that year. This cannot be ascertained with any degree of precision. The Adjutant General gives the number of regulars recruited, and of volunteers mustered, during the year, and the probable estimate of the nominal amount in actual service of both, at the end of the fiscal year. But he does not state, and had not probably the means of stating, the time and times, at which they respectively did actually become a part of the troops in the field. It is certain that this was done gradually. The number of effective men did not, when the war broke out, exceed eight thousand; and it was hardly forty thousand at the end of the fiscal year. It aporty thousand at the end of the fiscal year. It a

forty thousand at the end of the instal year. It appears to me to be fair to estimate the average amount at twenty five thousand. This, however, is only a conjecture, and it is possible that the average may have been thirty thousand.

The estimate of the Quartermaster General is about three millions less, for the fiscal year ending June 30, 1848, than had been expended during the recording year. This difference may be consider. ouring the first year of the war, in organizing at once such an extensive system of operations, and in transporting the main body of the army to Vera Cruz. This would reduce the annual expense ne-cessary for supporting an army of twenty-five or thirty thousand men abroad to thirty-two millions of dollars.

of dollars.

FISCAL YEAR ENDING JUNE 30, 1848.

The Secretary of the Treasury had, in his Report of December 10, 1846, estimated the expenses of this year for the army proper and volguteers at

In his Report of December 8, 1847, he estimates 

Add balance in Treasury July 1, 1847. 

Total.
From which substructing the means as above 42,83 

the last three quarters, would make the aggregat-less by several millions than the amount alread

less by several millions than the amount already appropriated, or which must be appropriated in order to cover ascertained deficiencies.

But the observation made, with respect to the Statement A, applies equally to B, the substance of which should have been embodied in the Report of the Secretary of the Treasury, instead of being thrown in the mass of documents printed several weeks later. I have equally failed in my attempt to procure a copy of it. As the matter now stands, the Report does not exhibit the details of the expenditure of the first quarter, which the Secretary did know; and it does give the estimated details of the last three quarters, which he did not and could not know. did not and could not know.

The estimate of the War Expenses, for the year

WHOLE NO. 2126. of the Treasury, by his letter of November 24 1547, is as follows:
Appropriated by Act of March 2, 1847, deducting Ordinance.
Additional appropriations to cover deficiencies, deducting Ordinance, deducting Ordinance, deducting Ordinance and Navy D'tment, estimated by me. 2,000,000
Ordinance and Navy D'tment, estimated by me. 2,000,000

These expenses are for the following objects re-| Specified | Spec

To Officers 882.182
Clothing 974.000
Recruiting 112.000
Three mouths' extra pay 12.000
Contingencies 50,000
Appropriation of Dec. 47 

The number of men on the rolls at the commence-The number of men on the rolls at the commencement of this fiscal year is estimated by the Secretary of War at forty three thousand, or at least thirty-three per cent more than the highest average number that can possibly have been employed in the preceding year. Considering that the number of recruits wanted to fill the regular regiments already authorized by law, is estimated by the Adjutant General, to have amounted, on the 30th of September, 1847, to 10,764; that these are daily recruiting, and that an additional volunteer force has lately been called into service, from the States of Michigan, Alabama and Mississippi, it can hardly be doubted that the average force employed, during the fiscal year ending June 30, 1848, will be fity per cent, greater than in the preceding fiscal year.

The Paymaster General observes that "more volunteers have been called into service the present fiscal year, than were appropriated by Congress; and I shall have to estimate for an arrange, so soon as the official returns, showing the average strength of the several regiments, are received, enabling me to ascertain the amount that will be required." He had on the lat of July, 1847, a balance on hand of 1.763,000 dollars; the appropriations already made for pay of regulars and volunteers, for the present fiscal year ending on 30th June, 1848, amount to 86,181,000, and he announces arrears beside those sums. Other deficiences may be expected, and it is highly probable that the total expense for that year will not fall short of forty-five to fifty millions of dollars, for the support of the troops alone which are now authorized by law.

FISCAL YEAR ENDING JUNE 30, 1849. FISCAL YEAR ENDING JUNE 30, 1849.

It appears to me impossible that the expenses for that year should not be equal to those for the year ending 30th June. 1848. The Secretary estimates them at only \$31,856,755 50, to which, adding for Navy and Ordnance my estimate of two millions, they would still amount to less than thirty-four millions. four millions.

The great diminution is in the Quartermaster General's estimate, which is reduced to \$13,187,000 instead of \$17,914,000 expended in the year ending 30th June, 1848. On this subject the Quartermaster General writes to the Secretary of the War Department, under date of Nov. 15,1847;

War Department, under date of Nov. 15, 1547:

Sir: The estimates which I submitted for your consideration on the 4th inst. for the service of the next facal year, were made out from data derived from the experience of the last year. In compliance with your auggestions, I have carefully restamined every item; and in all, depending in any degree upon my own action, or that of the officers of the Department, I have made considerable reductions. Whether those reductions be judicious, time must determine. I would not have ventured to make them but for the fact that two sessions of Congress will have terminated before the expiration of the fiscal year for which the estimates now submitted have been made. The sume asked for arrearages for the present fiscal year are not more, I am persuaded, than will be required. I am, however, making every effort to reduce expenditures of every description to the lowest point possibles.

penses and the consequent destruction of the captured from the experience of the last year. In compliance with your augestions, I have carefully red sumined every item; and in all depending in any degree upon my own action, or that of the officers of the Department, I have made considerable reductions. Whether those reductions be judicious, time must determine. I would not have renurated to make them but for the fact that two sessions of Congress will have terminated before the expiration of the facel vear for which the estimates now submitted have been made. The sume saked for arrangage for the present facel year are not more, I am persuaded, than will be required. It is therefore clear that the estimate was underrated, contrary to the Cuartermaster General's opinion: that he would not have made the reduction, had he not relied on Congress making up the deficiency before the whole of the money was wanted; and that the attempt is now deliberately made to underrate the expenses which must necessarily be incurred.

If I is therefore clear that the estimate was understand, contrary to the Cuartermaster General's opinion: that he would not have made the reduction, had he not relied on Congress making up the deficiency before the whole of the money was wanted; and that the attempt is now deliberately made to underrate the expenses which must necessarily be incurred.

If I is therefore clear that the estimate was understand, contrary to the Cuartermaster General's opinion: that he would not have made the reduction, had he not relied on Congress making up the deficiency before the whole of the money was wanted; and that the attempt is now deliberately made to underrate the expenses which must be causes which has heretofore prevented the will be some superfluous specie in the causes which has heretofore prevented that the causes of such objects must, instead of the country. The causes generally assigned are, the extraordinary imports of provisions, and the magnitude of the investments in railroads, which have converted Although the whole amount which shall be found to have been thus expended has been destroyed by the war, yet the whole is not the result of the Mexican War. It appears, by former official statements, that the expenses for the Army Proper

prices affecting almost every species of commodity, and by a great demand for specie. The effects of that commercial catastrophe were immediately felt in the United States. There was immediately felt in the United States. There was and still is a reciprocal want of confidence. Hence, the usual mode of consigning produce to England, accompanied by bills drawn on the consigness for a large portion of its value, has been considerably impeded. The low prices of our cotton abroad induced the planters to keep it back; and every arrival from England brought large parcels of American Stocks ordered to be sold for what they would fetch. The reaction took place in the early part of November, when it was manifested by its infallible index, a rise in the rate of exchange, and a consequent exportation of specie.

index, a rise in the rate of exchange, and a consequent exportation of specie.

The amount of specie in the vaults of the Banks of the City of New-York was lessened near two millions and a half of dollars during the month of November. Yet it does not appear to me that there is any great danger to be apprehended from a long-continued exportation. There was, in the course of the present crisis in Great Britain, in the first place, a large exportation of specie, principally to the United States, in payment for the articles of food she was obliged to purchase, and subsequently a great demand for apecie. This has been amply supplied, and, for the present, at least, England wants no more. If any continues to be exported there, this is principally due to the want of confidence, and those other causes, which created a scarcity of bills of indubitable credit on Europe, and raised the price of these two per cent, above the true par.

true par.

Thore is yet, scattered in the interior, a large portion of the specie imported during the preceding year; and this will, as is always the case, natportion of the specie imported during the preceding year; and this will, as is always the case, naturally flow to the place or places where it is most needed. In point of fact, this has already taken place; and, not withstanding the continued exportation, the amount of specie in the vaults of the Banks has, during the last three weeks, been increased several hundred thousand dollars. As soon as the internal navigation shall be open, large quantities of malze, pork, and other articles of food will be exported to Europe; and cotton cannot be held back much longer. Thus far, everything is yet sound; but the high rate (at least one per cent. a month) at which money is borrowed on paper of undoubted credit, would alone be sufficient to show that great caution is required on the part, not only of the Banks, but of all those who are engaged in active business.

Notwithstanding the great increase of national wealth, there is still a perpetual demand for capital. The circulating capital of the country is clearly the fund out of which the public revenue is and must be raised; and the effect produced by a demand of thirty millions, within the next six months, requires serious consideration.

Even sinths of the revenue derived from customs.

thirty millions, within the next six months, requires serious consideration.

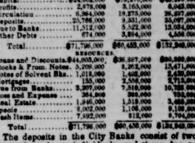
Five-eighths of the revenue, derived from customs, are collected in New-York, and nine-tenths in sive or six Atlantic sea-ports. These duties are payable the moment the merchandies is landed, or withdrawn from the public warehouses. This substitution of immediate payment for the former system of bonds and credit, was a sacrifice imposed on commerce, the importance of which has not been sufficiently appreciated. It has, among other effects, thrown a considerable portion of the importing basiness into the hands of foreign, to the prejudice of American houses. Still Commerce, left to the operation of the natural laws of trade, knows how to adapt itself to existing circumstances; and not withstanding this change, things went on smoothly enough, so long as peace continued.

The necessary effect of a war carried on in a foreign country, of our war with Mexico, is that the money thus collected in a few seaports, and in fact advanced by Commerce, instead of being expended with some degree of uniformity in the country, must be immediately transered, by the Treasury Department of the United States, to the places where it is wanted and expended. The great mass goes to Mexico and New-Orleans, whence it does not return to New-York, nor to any other Atlantic seaport, since it is absorbed and destroyed by war expenses.

than that which was absolutely necessary; and he has done it cautionaly, shifelly, and with as much regard for local and commercial concerns as was practicable. The City of New-York has had also its full share of the moneys expended for local purposes, or for the purchase of supplies.

This City is not only the port where the greater part of the revenue is collected, but it has also become the center of all the great moneyed operations of the country. It is accordingly the place also where a considerable share of the most disposable portion of the circulating capital of the country is concentrated. This most disposable portion is that which is deposited in the banks of the several states. And, exclusively of the deposits due to individuale, the banks out of this City have always a large amount deposited in the City Banks. Is cluding both items, it would seem from the general returns from all the banks that the amount deposited in those of the City of New-York does not exceed one-fourth part of the total amount deposited in all the banks of the United States. But experience has shown that, with the exception of South Carolina and of Louisiana, the deposits in the banks of the Southern and Western States are available only for local purposes, and contribute but very little to the loans which may be wanted by the United States. The same observation is generally applicable to the deposits in the country banks of New England, New-York and Pennsylvania. Those Atlantic sea-ports, in which sine-teaths of the revenue are collected, are also the places which contribute in the same proportion to the national loans. Although varying from year to year, the amount of deposits in all the banks of the United States, which are truly available for general purposes, may be estimated at twice that which is deposited in the City Banks of New-York on the list of November, 1847.

Listitutes. City. Course as two one action of action of the search of the city and Country Banks of New-York on the list of November, 1847.



appear altogether, and do not constitute a real resource.

No official statement of the situation of the banks, subsequent to the month of November, has as yet been published. But, from accounts obtained from several of the most respectable of the City Banks, it appears that, during the month of November and the first weeks of December, the amount of their deposits (including those due both to individuals and to banks) has lessened at least twenty five percent. This is, in reference to the fiscal and commercial concerns of the nation, the most important and pregnant fact which has taken place since the commencement of the war, inassuuch as it shows, in a tangible manner, to what extent the war expenses and the consequent destruction of the capital have affected the oirculating capital of the country.

turns, in payment of the sales of imported gous, will enable Commerce to pay, not, however, without some pressure, the fifteen millions of Custom-House duties expected to be collected during the first six months of the calendar year 1848. But it is impossible that the effect of a loan of eighteen millions and a half, a considerable portion of which must be supplied by the bank deposits, should not be most seriously felt. The bank deposits must necessarily be more or less diminished; the banks must curtail their discounts to the same extent; and the merchants be deprived, to a considerable extent, of the usual accommodations on which they rely in order to carry on their business. The City Banks anderstand their position; they will make no unnecessary curtailment: but they will resist the demands and the clamors for what is very improperly called a liberal course, that is to say, discounting beyond their means. The recollection of the incidents of the last suspension and resumption of Specie Payments, a sense of their duty to the public, and the danger of annihilation will all combine-in making them pursue with firmness the only safe course. A suspension of specie payments would forfeit their charters, and there is now no hope of legislative relief. For it is provided by the Constitution of the State, that—

er corporation, issuing bank notes of any description.

For all this there is no remedy. The war expenses, for the fiscal year ending June 30, 1846, are in a great degree already incurred, at all events unavoidable. According to all appearance, the evil will be prolonged at least one year longer. There is hardly any hope that peace shall be concluded by the present Administration. Unless relief should come from some unexpected contingency, it is impossible that the pressure should not become more and more intense, and be felt through the whole country, as long as the war continues.

I have spoken more particularly of the City of New-York, because I know it best, and because it is by far the most important point, in reference not only

I have spoken more particularly of the City of New York, because I know it best, and because it is by far the most important point, in reference not only to Commerce and Revenue, but also to Currency. It has been proved by experience, that the Banks of this City may resume and sustain specie payments, alone, and on the other hand, that their suspending such payments is attended with a similar failure by almost all the other banks in the United States. And the same causes, which will produce a pressure in New York, will operate directly and in the same manner, on Boston, Philadelphia, Baltimore, and all the other important sex-ports.

It has already been observed, that the deposite in the banks of the Western States, were wanted and available only for local purposes. But that was not saying enough. The Western States have not, as yet, accumulated a sufficient circulating capital for their local demands. Possessed of the richest soil in the Union, that is their only want.—In all their undertakings, whether successful or irrational, they have always relied on a foreign capital. It is impossible that every portion of the Union should not be, to a greater or less extent, affected by any considerable diminution and destruction of the National Circulating Capital.

IV ... We must submit to that which is un able. In order to defray expenses already mour red, a loan is necessary; for even if taxation were deemed preferable, it could not be made productive in time, since the question now is only with respe to expenses incurred or to be incurred, prior to ti

to expenses incurred or to be incurred, prior to the 30th of June next. Whether the war be approved or condemned, public faith must be maintained and the necessary loan be negotiated, or the most favorable terms that can be obtained, and in the most eligible form that can be devised.

It is impossible for any dovernment to pretend to prescribe the rate of interest and other conditions on which money shall be lent to them. This will depend on the confidence placed in the good faith and resources of dovernment, on the general sate of interest in the country, on the probability of a longer or shorter war, and on several other variable considerations. There is, however, one general and apparently invariable law. As the war continues, and as new annual loans are required, governments are compelled to pay dearer, every successive year,